

tinue our efforts to improve our competitive position, to be the high-quality, low-cost producer of more and more goods and services. In return, the Japanese agree to what the agree quotes as highly significant reductions in their trade surplus and increases in their imports of goods and services from the United States and other countries. In other words, both nations have made some tough choices.

We should have no illusions. We announced today a framework to govern specific agreements yet to be negotiated. Negotiating those agreements will surely be difficult. But now, at least, we have agreed what the outcome of these negotiations needs to be: tangible, measurable progress.

I have said for some time that the United States and Japan, the two largest economies of the world, must strengthen our friendship. Our political relationship is strong; our security relationship is firm. These trading disputes have been corrosive, and both of us are called upon to change. It is essential that we put this relationship on a footing of mutual respect and mutual responsibility. This framework is a good beginning.

As the Prime Minister said, many people worked very hard on these negotiations. And before I conclude my statement, I would like to express appreciation to people on both sides. I want to thank on the American side Mr. Bo

Cutter, who was our lead negotiator and is the Deputy Director of the National Economic Council; Charlene Barshefsky, the Deputy U.S. Trade Representative; Roger Altman, the Deputy Secretary of the Treasury; and Joan Spero, the Under Secretary of State. They did an excellent job. They worked many long hours with their Japanese counterparts. I also want to thank the Japanese negotiating team, and I want to say a special word of appreciation to Prime Minister Miyazawa for his leadership here at the G-7 summit and his constant attention to these bilateral negotiations while they were going on. He has shown wisdom, determination, and genuine leadership.

Perhaps only I and a few others know how difficult these negotiations have been, how many late night discussions have been involved, how hard so many people have tried for our two countries to reach across the divide that has separated us on this issue. I do not believe that this day would have come to pass had it not been for Prime Minister Miyazawa, and I thank him in a very heartfelt way. I think he has done a great service today for the people of Japan, the people of the United States, and for the principle of a free world economy.

NOTE: The remarks began at 10 a.m. at the Okura Hotel. A tape was not available for verification of the content of these remarks.

Remarks and an Exchange With Reporters Following Discussions With President Kim Yong-sam of South Korea in Seoul

July 10, 1993

President Kim. Today President Clinton and I had very useful discussions of the wide-ranging issues of mutual concern for about 1½ hours. I was deeply impressed by President Clinton, who is playing leadership role in maintaining world peace and coping with new challenges in the post-cold-war era.

In today's meeting, President Clinton and I discussed current international political situation, including new post-cold-war situation in northeast Asia. We also had wide-ranging consultations on how to further develop the Korea-U.S. partnership in the areas of politics, security, economy, and trade.

In particular, we had an indepth discussion on North Korea's nuclear development program. And we shared the view that this issue poses a serious threat not only to peace on the Korean Peninsula but also to the security of northeast Asia and the world as a whole. Also, we expressed our satisfaction over the close coordination between our two countries in dealing with the North Korean nuclear issue. Most importantly, we confirmed that, through this process, we should continue to encourage North Korea to remain within the nuclear nonproliferation regime and to implement faithfully these inspection responsibilities with the IAEA mechanism.

We also reconfirmed that through effective mutual inspections by the two Koreas themselves, the denuclearization declaration should be fully implemented, leading eventually to the resolution of North Korea's nuclear issue.

We will, therefore, continue our efforts to persuade North Korea to remove suspicion over its nuclear program. The next round of U.S.-North Korean contacts will be held in a few days. And at the same time, we will keep the door open for South-North dialog. In case, however, North Korea does not demonstrate different attitudes toward the resolution of the nuclear issue, in spite of our sincere efforts, then the international community will inevitably have to come up with appropriate countermeasures to deal with the issue.

President Clinton renewed firm commitment of the United States to the defense and security of the Republic of Korea and reassured that any further reduction of U.S. forces in Korea would be made only after the uncertainties surrounding North Korea's nuclear program has been thoroughly examined.

President Clinton and I noted with satisfaction the amicable trade relations between our two countries and concurred that the measures the Korean Government is taking to liberalize and internationalize this economy under the new economic policy will help further expand and develop our bilateral trade relations. More specifically, President Clinton and I agreed on the need to develop a future-oriented economic partnership between our two countries. And for this purpose, we have agreed to launch a new bilateral forum for consultation, named the Dialogue for Economic Cooperation. Within this framework, the two countries will discuss various ways to enhance bilateral economic cooperation and address the issues of economic deregulation as it affects economic relations between our two countries. Also, we shared the hope that the Uruguay round of multilateral trade negotiations should be concluded before the end of this year to help revitalize the world economy. And we have agreed to work together to achieve that goal.

As staunch friends and allies, the Republic of Korea and the United States have maintained a close and cooperative relationship during the last several decades. Our countries will continue to expand this relationship to make it into a lasting and comprehensive partnership based upon the common ideals of democracy in the

fields of politics, national security, economy, trade, culture, and academic exchanges.

I'm entirely satisfied with the result of our today's summit meeting, and I'm fully convinced that today's meeting will mark the first of many fruitful occasions of such consultations between President Clinton and me in the future. Thank you very much.

President Clinton. Thank you very much. First, let me thank President Kim for his warm welcome and for his very accurate summary of the discussions that we have just held. I would simply like to highlight a couple of points.

First, we reviewed our mutual efforts to ensure the security and peace of the people living on the Korean Peninsula. And I reassured President Kim of my commitment to ensure that the United States continues to play its historic role. We devoted particular attention to the issue of North Korea's nuclear program and agreed to continue our very close cooperation in dealing with this matter. This program is of great concern not only to the United States and the Republic of Korea but to all in this region. We agreed to consult closely on our joint efforts to achieve a full resolution of this issue, and we are resolute to take additional steps if they are required. I did reaffirm my strong intention to have no further reduction in our military presence in this region as long as there is any outstanding question of security regarding this issue.

President Kim and I also discussed the importance of working together to expand trade through the Organization on Asian Pacific Economic Cooperation and the meetings we will have there in Washington this fall.

I thanked President Kim for his support of the results of the G-7 conference just concluded in Tokyo, his support of the Uruguay round of the world trade negotiations, and for the announcement of the new Dialogue for Economic Cooperation to resolve the outstanding issues between our two countries and to build an even stronger economic cooperation between us.

Finally, I want to express my appreciation to President Kim for his personal lifetime devotion to the cause of democracy and for the very good example that the anticorruption and deregulation campaigns here set for all of Asia and indeed for budding democracies throughout the world. I believe that this is the sort of example we need more of.

And finally, let me say I appreciate the visit

that we had. I think we established a very good personal relationship and a very good bond between our two countries. I look forward to further talks, and the President has accepted my invitation to visit the United States later this year, so we will have another chance to work on these issues personally.

North Korean Nuclear Development

Q. Mr. President, in case North Korea doesn't show sincere efforts to solve their nuclear problem, then the Republic of Korea will react with appropriate countermeasures to deal with the issue. Is there any time scale in your plan to deal with this issue, and what is the most appropriate measures to be taken towards it?

President Kim. I do not necessarily think that it is desirable to give you any time scale or any concrete appropriate actions to be taken. But what is most important, what is most clear, is that with regard to this issue we had a very close consultation with the United States, and we will continue to do so in the future.

China

Q. President Clinton, what role can China play in trying to be helpful, if at all helpful, in this? Do you see China as being instrumental in trying to persuade the North Koreans to follow the treaties?

President Clinton. I do believe China can play a constructive role. When the United States and South Korea were attempting to discourage North Korea from withdrawing from the NPT, China was quite helpful. I think the Chinese Government is very interested in supporting the position we have taken here. They have stronger and stronger trade relations with South Korea. And they obviously are more and more interested in becoming a commercial power of the future rather than a military power of the past. And so, we will both—we agreed today that we would continue to inform the Chinese of what we were doing, and we will certainly ask for their support in our efforts.

Dialogue for Economic Cooperation

Q. President Clinton, there was an announcement today that the Dialogue for Economic Cooperation will be launched from today. At the same time, there is an expectation that the Uruguay round of negotiations, multilateral negotiations, will come to conclusion, at latest, before the end of this year. Now, there is, however,

a concern that perhaps the launching of this new Economic Cooperation Dialogue is a means for the United States to press ahead with its own idea of economic relationship with the United States in a bilateral sense. Does it carry any truth, or do you have any comment on this?

President Clinton. First let me say that is a very good question. I do not see our efforts to get an agreement in the Uruguay round and this announcement today as in conflict. Between any two nations that have as many trade relations as the United States and the Republic of Korea, there will always be issues outstanding that need to be discussed.

Obviously, if by the end of the year we can conclude a successful Uruguay round, that may resolve some of the issues between our two countries. But still there will be other issues in terms of the practical openness of our markets, what we can do to encourage more investment, how we enforce the laws that we all agree should be on the books. There are lots of questions like this that in good faith two friends ought to discuss. And so, we're very hopeful that that is what we can do.

I should say, too, as much for the Americans as for the Koreans here, that just a few years ago Korea had a very large trade surplus with the U.S. In the last 2 or 3 years, it's been a very small trade surplus, and this year we might actually have a small surplus with Korea. So our trade is more or less in balance, and the problems we have relate to the way we implement certain things. So I don't think you should be concerned. We are going to go forward with the Uruguay round, and we won't do anything in this context that is in conflict with the desire to get a world trade agreement.

North Korean Nuclear Development

Q. President Clinton, you mentioned being resolute to take additional steps to stop North Korea's nuclear program. What are the carrots and sticks that you could apply to make North Korea comply with the IAEA safeguards?

President Clinton. First, let me say that the talks will resume in a few days. I think it is obvious that the most important carrot out there is the one that President Kim has articulated when he described the conditions under which the two nations might move toward reunification with various confidence-building measures and other steps along the way. The economic success

of South Korea and the prospect that North Korea might one day have a cultural unity again and an economic success must be the greatest carrot of all. The sticks I think are obvious, but I think, again, I would support what President Kim said. We should not be discussing

at this point what we might do if all our other efforts fail.

Thank you.

NOTE: The remarks began at 4 p.m. at the Blue House. President Kim spoke in Korean, and his remarks were translated by an interpreter.

Remarks to the Korean National Assembly in Seoul *July 10, 1993*

Thank you very much, Mr. Speaker, leaders of the National Assembly, members of all political parties here present joined together in our common devotion to democracy.

It is a great honor for me to be here today with my wife, with the United States Secretary of State, the Secretary of Defense, with other military and political leaders from our Government in this great hall of democracy.

I first visited your beautiful capital city 5 years ago. Since then, Korea's energy and culture have shown themselves in many new ways: Your bustling capital has continued to grow. Your economy has continued to expand. Your nation hosted the Olympics and has taken its place as a full member of the United Nations. You have established new ties to Russia and to China. But no achievement is more important than the consolidation of your democracy with the election of a bold democrat, President Kim Yong-sam.

Geography has placed our two nations far apart, but history has drawn us close together. Ours is a friendship formed in blood as our troops fought shoulder to shoulder in defense of freedom. Then as Korea's economy became the "miracle on the Han," we built an economic partnership that today exceeds \$30 billion in fairly well-balanced trade. Today, Korea's democratic progress adds yet another bond of shared values between our two peoples.

When President Truman sent American troops to Korea's defense 43 years ago, he said he aimed to prove that, and I quote, "Free men under God can build a community of neighbors working together for the good of all." Our efforts together since then have benefited all our peoples, not only the people of our own countries but in the Asian Pacific region, all

who seek to live in peace and freedom. Our relationship has made this region more secure, more prosperous, and more free. Now with the cold war over and profound changes sweeping throughout your country, this whole populous region, and indeed throughout the world, we must create a new vision of how we as a community of neighbors can live in peace. I believe the time has come to create a new Pacific community built on shared strength, shared prosperity, and a shared commitment to democratic values.

Today I want to discuss the fundamentals of security for that new Pacific community and the role the United States intends to play. I had the opportunity just a few days ago at the G-7 summit in Tokyo to travel to Waseda University to talk about the economic aspects of that new partnership. And I think clearly all the economic reforms that we can make will benefit a great market system like Korea.

But we must always remember that security comes first. Above all, the United States intends to remain actively engaged in this region. America is, after all, a Pacific nation. We have many peoples from all over Asia now making their home in America, including more than one million Koreans. We have fought three wars here in this century. We must not squander that investment. The best way for us to deter regional aggression, perpetuate the region's robust economic growth, and secure our own maritime and other interests is be an active presence. We must and we will continue to lead.

To some in America there is a fear that America's global leadership is an outdated luxury we can no longer afford. Well, they are wrong. In truth, our global leadership has never been a more indispensable or a more worthwhile invest-